



MWCA 2006 BEST PRACTICES RECOGNITION

NOMINATION FORM

WIB Name/WSA - Southwest Minnesota – WSA 6

Submitted by - Juanita Lauritsen – WSA 6 Director

Attach a description (no more than two pages) describing the initiative.

Please return via e-mail or fax to Anne Olson by **Thursday, July 27.**

aolson@mncounties.org or (651) 224-6540

(Leave this section blank -to be completed by judges)

Judge # _____

Criteria for Selection of Outstanding Best Practices	Maximum Points	Points Awarded
Overview describing the innovative best practice	25	
Jobseeker impact (ie: benefits, outcomes for jobseekers)	25	
Community impact (ie: benefits, outcomes for non-jobseekers)	20	
Identification of those involved, including collaborators	15	
Leveraging/alignment of outside resources	10	
Ability for use or replication by others	05	
TOTAL:	100	

Southwest MN/Marshall Area Financial Empowerment Collaborative

The intent of the Financial Empowerment Collaborative is to teach people how to access and use the wealth of financial literacy information that is available, in an effort to assist individuals in their basic knowledge of financial management and self-sufficiency. The concept of the Financial Empowerment Collaborative grew out of an identified need to address the lack of basic financial literacy skills by many of the individuals served by the local WorkForce Center partners, the ABE/GED/ELL Consortium, local financial institutions and other community based organizations. An added challenge in the area of financial literacy has surfaced in the past few years when southwest Minnesota became home to people from other cultures, primarily Hispanic, Southeast Asian, and East African-language based groups. The integration of these new immigrants into existing communities and workplaces has created challenges for local resource groups, but it is also bringing a rich diversity to the rural communities.

One of the challenges often faced by the new immigrants is related to financial literacy. Often people from other cultures are not familiar with our banking/financial systems, or with mortgages, credit cards, or planning for their future. A study conducted by the Federal Reserve Bank of Chicago found that “many of their ethnically/racially diverse clients were reluctant to engage in a financial relationship with banks. This observation is consistent with research that finds consumers who are immigrants or members of a minority group have a greater reluctance to use formal financial institutions because of negative historical experiences and/or perceptions.” These problems do not only affect new immigrants – there are many long-term local families who are not involved with the banking system, or are facing ongoing financial difficulties. While the resources developed through this project are available to all members of the community, the focus is on those with limited banking knowledge, including new immigrants and others who are unfamiliar with the banking system; and families who struggle with ongoing financial obligations.

Key factors of the collaborative:

- Collaborative comprised of representatives from financial institutions, ABE/GED/ELL, Workforce Center, United Way, Community Based Organizations, local churches, local education institutions;
- \$6,000 start-up funds provided by United Way of Southwest Minnesota;
- \$24,310 request to Ameriprise Financial to support project;
- Local volunteers, including bankers, business representatives, educational and community-based partners will complete the Financial Empowerment Train-the-Trainer program and then contribute their time for financial workshops, brown bag lunches sessions focused on financial topics, respond to website inquiries, and one-on-one financial consultations;
- Local churches, particularly Wesley United Methodist Church of Marshall, will provide volunteer coaches who teach people how to manage money. Their commitment to assisting people with financial empowerment is backed up by their willingness to pay off financial debt for members of their congregation;
- In addition, volunteers will offer financial workshops at brown bag lunch and learn sessions sponsored by participating employers, including those who hire high concentrations of immigrants.

The program has two primary components:

1. Identify all community-based financial literacy resources, and develop a financial resource information directory (web-based), including educational video modules developed and

presented by local bankers and other financial experts. Examples of video module topics include:

- Spending planning for ongoing obligations;
- Spending planning for special events;
- Saving money;
- Maintaining/Balancing a checkbook;
- Managing credit card accounts;
- Preventing personal identity theft.

2. Develop a community education plan whereby basic financial literacy topics will be offered through a variety of means, including brown bag lunches through the sponsorship/support of local employers, through the Workforce Center and Adult Basic Education Offices, through monthly seminars, and through financial literacy workshops offered by the partners, including one at the local college.

The project has two unique aspects, which will help meet the needs of the rural communities, and will be replicable in other communities. The first is a Train-the-Trainer approach to increase the knowledge of those who are working with the target audience. This will be offered by a University of Minnesota Regional Extension Education & Financial Counselor.

The second unique aspect of this project, and one which is especially suited to the rural area, is the development of a financial literacy website. The website developed and hosted by the local Adult Basic Education Organization will be targeted to both consumers in need of basic financial literacy information, and to organizations that have as part of their mission to help these consumers. In addition to a list of local financial literacy resources and links to other resources, the website will include a library starting with 10 educational video modules, presented by local bankers and other financial experts.

Collaborative members include: Iftiin Somali Connection, Turkey Valley Farms, Adult Basic Education, SW MN Private Industry Council, Western Community Action, University of MN Extension Service, Lincoln/Lyon/Murray Human Services, churches, United Way, Ameriprise Financial, Bank of the West, Bremer Bank, First Independent Bank, Home Federal Bank, Minnwest Bank, United Southwest Bank, Wells Fargo Bank, Marshall/Lyon County Library, SMSU Office of Cultural Diversity, SW/WC Service Cooperative, Turkey Valley Farms, and Wesley United Methodist Church.

The anticipated outcomes of the collaborative efforts are that people in southwest Minnesota:

- Will increase their awareness of financial literacy resources that address their money management needs;
- Will utilize the financial literacy website to address their money management needs;
- Will participate in workshops that address personal skill building in basic money management.

Ultimately, the project seeks to improve the health and well-being of the local communities by providing information, education, and support for people struggling with financial management issues. The ultimate goal, financial security, is the cornerstone of prosperous communities, nurturing neighborhoods, and strong families.